Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Text

LIMITED OFFICIAL USE

PAGE 01 FLOREN 00115 161056Z

44
ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 EA-07 IO-11 ISO-00 AGR-05

CIAE-00 COME-00 INR-07 LAB-04 NSAE-00 SP-02 STR-04

TRSE-00 CIEP-01 FRB-03 OMB-01 /071 W
---------- 028482
R 161030Z MAR 76
FM AMCONSUL FLORENCE
TO SECSTATE WASHDC 1319
INFO AMEMBASSY ROME
AMEMBASSY MADRID
USMISSION GENEVA
USMISSION BRUSSELS
AMEMBASSY BRASILIA
AMEMBASSY TAIPEI

LIMITED OFFICIAL USE FLORENCE 0115

E.O. 11652: N/A
TAGS: ETRD, IT
SUBJECT: ITALIAN SHOE INDUSTRY REACTION TO INTERNATIONAL
TRADE COMMISSION DECISION ON SHOE IMPORTS

1. AUTHORITAVE SOURCE IN ITALIAN ASSOCIATION OF SHOE MANUFACTURERS INDICATED TO CONSULATE OFFICER THAT ASSOCIATION HAS ALREADY MADE CONTINGENCY PLANS FOR EVENTUAL DECISION BY PRESIDENT ON VARIOUS RECOMMENDATIONS OF INTERNATIONAL TRADE COMMISSION (ICT). IF OPTION ONE (TO PLACE ADDITIONAL DUTY ON ALL IMPORTED SHOES) IS ADOPTED, INDUSTRY FEELS SHOES WOULD BE IMMEDIATELY PRICED OUT OF U.S. MARKET BECAUSE OF HIGH PRICE OF ITALIAN SHOES TO BEGIN WITH. COUNTRIES LIKE BRAZIL AND TAIWAIN, ASSOCIATION FEELS, COULD SUSTAIN INCREASED TARIFF.

2. IF OPTION ONE TAKEN, ASSOCIATION, WHICH HAS ALREADY DISCUSSED MATTER WITH ITALIAN OFFICIALS, FEELS THAT BEST ACTION WOULD BE TO TAKE MATTER TO BRUSSELS FOR EEC ACTION. SOURCE INDICATED THAT HE WAS GOING TO BRUSSELS TO MEET WITH THE EEC
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 FLOREN 00115 161056Z

COMMITTEE FOR FOOTWEAR INDUSTRY TO DISCUSS MATTER. HE FEELS

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

LIKELY EEC ACTION WILL BE TO TAKE RECIPROCAL ACTION AGAINST SOME U.S. PRODUCTS IMPORTED INTO EUROPE. AT SAME TIME EEC WILL HAVE TO TAKE SOME MEASURES TO CUSHION BLOW ON DOMESTIC EUROPEAN PRODUCERS.

3. SECOND OPTION (WHICH WOULD INCREASE DUTY ON IMPORTED SHOES EXCEEDING QUANTITY PREVIOUSLY IMPORTED ON COUNTRY BY COUNTRY BASIS) WOULD HIT HARDEST AT COUNTRIES NEW TO MARKET AND WOULD, IN A SENSE, FAVOR ITALY, WHOSE EXPORTS TO THE U.S. HAVE BEEN DECLINING SOMEWHAT. IF THIS OPTION CHOSEN, SHOE MANUFACTURERS WOULD EXCEPT A FORMAL PROTEST WOULD BE MADE BY EEC BUT NO RETALIATION WOULD BE TAKEN.

4. THIRD OPTION (TO HELP AMERICAN INDUSTRIES ADJUST) WOULD NOT CONCERN EEC DIRECTLY AT ALL.

5. SOURCE INDICATED THAT ITALIANS ARE HOPEFUL THAT U.S. WILL NOT TAKE FIRST OPTION. HE NOTED THAT IF U.S. DID, THERE WOULD BE SERIOUS ECONOMIC REPERCUSSIONS IN ITALY WITH MANY SMALLER MANUFACTURERS FORCED OUT OF BUSINESS. GORDON

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, SHOES, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976FLOREN00115
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760098-0951
From: FLORENCE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760358/aaaabyic.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by CollinP0>; APPROVED <28 JUL 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ITALIAN SHOE INDUSTRY REACTION TO INTERNATIONAL TRADE COMMISSION DECISION ON SHOE IMPORTS
TAGS: ETRD, IT, ICT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006